

**STATE OF NORTH DAKOTA
Information Technology Department
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Bismarck, North Dakota 58505
(701) 328-1002 FAX (701) 328-3000**

Issue Date: September 1, 2006

**Notice of Intent
To Make a Noncompetitive Purchase**

The State of North Dakota intends to purchase a commodity or service for which we believe only one known provider exists. This document contains the specifications and justification for the noncompetitive procurement. Any vendor who does not agree that this commodity or service is available only from the source described in this document must contact the procurement officer listed by the deadline specified below.

Requestor: Information Technology Department (ITD), Telecommunications Division

Purchase Description: Fiber optic cabling transport and installation services within the city of Williston, North Dakota, providing "dark" single-mode fiber cable between various sites in the community. (See attached scope of work).

Intended Source: Montana-Dakota Utilities Company

Justification for the noncompetitive procurement: Montana-Dakota Utilities Company (MDU) has provided "dark" single- and multi-mode fiber optic cabling for various projects throughout the state of North Dakota. The intended source provides:

- ✓ Track record of successful fiber optic cabling projects for ITD;
- ✓ Franchise experience with communities;
- ✓ Ability to provide 24 x 7 x 365 response timeframes for fiber reparations;
- ✓ After hours call center operated on a 24 x 7 x 365 basis for trouble reporting;
- ✓ Use of any and all spectrum technically available on the fiber optic cable; and,
- ✓ No electronics or any other devices that hinders the ability of ITD to utilize the fiber optic cable as it wishes.

Although most providers wish to provide only a single spectrum or limited bandwidth, the fiber optic cable pairs provided by the intended source are "dark" and without the provision of any telecommunications equipment. The intended source will allow the state to use any and all spectrum it so chooses.

Experience: Must have successfully completed at least three (3) telecommunications projects of similar scope and complexity in cities with similar demographics and have successfully negotiated city franchise agreements for the purposes of fiber optic cable installations.

Response Deadline: 5:00 p.m. CDT on Thursday, September 14, 2006.

Procurement Officer:

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Enclosure

BUSINESS CASE

Project Description

The state of North Dakota plans to use the intended source to provide “dark” single-mode fiber optic cable infrastructures to particular sites in Williston, North Dakota. The site listing is below.

FRANCHISE

The intended source will be required to negotiate and sign a franchise agreement with the city of Williston for the purposes of this project. This may require meetings with, but not limited to, the following: city engineer, city planning, city commission, and/or other city departments. All franchise negotiations are the responsibility of the intended source.

PHYSICAL LAYOUT

The intended source will be required to provide a hub-and-spoke cabling layout throughout the respective cities, utilizing two (2) strands of single-mode fiber optic cable from the hub to the endpoint sites, with the State of North Dakota choosing a site at which to bring all endpoints. “Daisy-chaining” of any of the sites listed below are not an architectural design of this plan.

The infrastructure would also be such that twelve (12) strands of single-mode fiber would be brought from the intended source’s demarcation point outside of the premise into the premise and terminated at the respective telecommunications demarcation point, with only six (6) strands being terminated. The State of North Dakota has a wiring contractor that can provide inside-the-premise wiring and termination of the fiber optic cable.

PAYMENT FOR SERVICES

The payment for the fiber optic cable infrastructure will be in the form of a monthly payment over a fixed period, typically five (5) years.

MAINTENANCE

Maintenance for the fiber optic cable infrastructure will be the responsibility of the provider, with a minimum response time requirement. Typically, this is four (4) hours.

APPLICABLE LAWS

The intended source must meet all federal, state, and local laws with regard to contractor licensing and contractor work to be performed.

PLANNED SITES IN WILLISTON, NORTH DAKOTA

<i>SITE NAME</i>	<i>ADDRESS</i>
Northwest Human Service Center	316 2 nd Avenue West
Williams County Courthouse	205 East Broadway
Job Service North Dakota	422 1 st Avenue West
ND Department of Transportation	2300 Dakota Parkway West
Williston High School	502 West Highland Drive
University of North Dakota – Williston	1410 University Avenue

Solution/Alternatives Considered

ITD has made best efforts in determining what providers can meet these project goals. It is our belief that the intended source is the only vendor capable and willing to deliver upon ITD's requirements.

Consistency / Fit with Organization's Mission

ITD's mission lies in providing leadership and knowledge to assist our customers and partners in achieving their mission through the innovative use of information technology and adequate transport design throughout the state. The Information Technology Department is required in state statute (NDCC 54-59) to provide telecommunications services to government (state, local, and other political subdivisions) and educational institutions throughout the state.

As customers and partners require increasing amounts of network bandwidth because of data and video aggregation and application requirements, it is incumbent upon ITD to meet those data transport needs of its customers and partners.

Consequently, this project fits with the mission of the organization to meet our customer's needs.

Cost Benefit Analysis

1. Anticipated Benefits: This fiber optic network will provide for Gigabit Ethernet connectivity among the various sites included; additionally, ITD will be able to use additional wavelengths for future growth and expansion as technology and bandwidth needs change. ITD will also be afforded the capability through this network of segmenting the various customers and/or locations in such a way to meet the network security requirements. ITD will also be able to leverage and consolidate multiple ATM T1 circuits with a single, larger DS3 or OCx.
2. Cost Estimate: The major cost of this new fiber optic network is the recurring monthly service charges for the fiber optic cable. The total contract term cost is expected to be \$234,000. ITD plans on making monthly payments for the dark fiber infrastructure service.

Project Risks

The project does contain risks, in that it depends, in part, upon a positive partnership with the various customers and partners in this community as well as meeting the design objectives to accomplish the project goals. However, these risks can be mitigated by proper planning prior to implementation. The success of planning is critical to the entire project.